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Voluntary Public

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New Retail Tax in Poland planned for 2018

Report Categories:

Retail Foods

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Report Highlights:

On October 14, 2016 Polish Ministry of Finance spokesman announced that attempts to introduce retail tax in Poland are postponed till January 1, 2018. As of September 1, 2016 the Polish Government introduced a new law obligating retailers operating on the Polish market to pay an additional tax on retail sales. On September 19, 2016 the European Commission opened an in-depth investigation into Poland's tax on the retail sector requiring Poland to suspend the application of the tax until the Commission concludes its assessment. In reply Poland's Government vowed to press on with some form of a new tax against big supermarkets and suspended implementation of the current tax proposal on September 20, 2016.

General Information:

On October 14, 2016 Polish Ministry of Finance spokesman announced that the next attempts to introduce retail tax in Poland are postponed till January 1, 2018.

As of September 1, 2016 the Polish Government introduced a new law obligating retailers operating on the Polish market to pay an additional tax on retail sales. The new tax imposed on retailers had two application rates: 0.8 percent in case of revenue ranging from 17 milion Polish Zloty (U.S. \$4.5 million) to 170 million Polish Zloty (U.S. \$44 million) per month and 1.4 percent when sales exceed 170 million Polish Zloty (U.S. \$ 44 milion). Sales under 17 million Polish Zloty (U.S. \$4.5 million) per month were tax-free. Revenue taken into account when calculating the new tax was not include Value Added Tax and sales between businesses.

On September 19, 2016 the European Commission opened an in-depth investigation into a Polish tax on the retail sector. The Commission had concerns that the progressive rates based on turnover give companies with a low turnover a selective advantage over their competitors in breach of EU state aid rules. The European Commission also issued an injunction, requiring Poland to suspend the application of the tax until the Commission has concluded its assessment. In reply Poland's Government vowed to press on with some form of a new tax against big supermarkets and suspended implementation of the current tax proposal on September 20, 2016.

For additional information on the Polish retail sector please refer to FAS/Warsaw GAIN [Retail Sector Report](#) and the recent report on the [Proposed Retail Tax](#), available at www.fas.usda.gov – Data and Analysis - Attaché GAIN Reports link.

End of the Report.